GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5186
ANSWERED ON:25.04.2003
EXPORT OF GEMS AND JEWELLERY
BIKRAM KESHARI DEO;HARIBHAI PARTHIBHAI CHAUDHARY;KINJARAPU YERRANNAIDU;MANSUKHBHAI D. VASAVA

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the total quantum and value of diamonds and other gems and jewellery exported since 1998 till March, 2003, year-wise;

(b) the names of first five countries to whom export of these items has been made;

(c) whether export of these items is on the decline for the past few years;

(d) if so, the reasons therefor;

(e) the steps taken by the Government to boost the export of these items; and

(f) the details of policy of the Government to encourage the gems and jewellery sector including diamonds?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) As per the information provided by the Gem & Jewellery Export Promotion Council (GJEPC), Mumbai, a representative autonomous body of the trade sponsored by the Ministry of Commerce & Industry, the export of Gem and Jewellery in term of value including cut & polished diamonds in term of value and quantity from the year 1998-99 to the year 2002-03, year-wise are as follows:-

Value in Million US$

	Cut & polished Diamonds	Quantity in Lakh Carats	Total value of Gem & Jewellery
1998-1999	5026.11	267.99	6211.66
1999-2000	6647.82	331.17	8145.02
2000-2001	6186.70	299.06	7779.49
2001-2002	5971.91	328.86	7556.10
2002-2003	7110.45	372.03	9106.11

Source : GJEPC

(b) First five major markets for cut & polished diamonds and total gem & Jewellery during the year 2002-2003 have been USA, Hongkong, Belgium, Israel and UAE.

(c) Exports of gem & Jewellery in the last four years, when compared to the year 1998-99, have recorded a rise.

(d) Does not arise?

(e) The Government and the Gem & Jewellery Export Promotion Council(GJEPC), the representative body of the trade sponsored by Ministry of Commerce & Industry, have taken several steps to increase the exports of gem and jewellery and to enhance competitiveness in the world markets. Some of these are given below:-
- Ministry of Commerce & Industry have prepared a Medium Term Export Strategy for various sectors including Gem & Jewellery sector;
- The GJEPC and the Govt. constantly explore the possibility of direct procurement of rough diamonds from diamond mining countries;
- Government have provided funds to set up the Sardar Vallabhbhai Patel Centre of Jewellery Design and Manufacture at Surat to give a fillip to jewellery design and manufacture;
- The GJEPC promotes the image of Indian diamonds and jewellery abroad through advertisements, publicity and participation in international fairs, organising buyer-seller meets and direct approach to market retailers;
- The GJEPC identifies new markets by organising market study through consultants.It also deputes Indian designers to various

international trade fairs and exhibitions to study the latest trend in designs; and
- The GJEPC promotes export of Hallmark jewellery from India so that customers abroad can be assured of quality and purity of Indian made jewellery.

(f) The following policy initiatives taken for the Gem & Jewellery sector in the EXIM Policy effective from 1-4-2003, include:-
- Diamond & Jewellery Dollar Account for exporters dealing in purchase/sale of diamonds and diamond studded Jewellery.
- Nominated agencies to accept payment in dollars for cost of import of precious metals from EEFC account of exporter.
- Gem & Jewellery units in SEZ and EOUs can receive precious metal i.e. Gold/Silver/platinum prior to exports or post exports equivalent to value of Jewellery exported. This means that they can bring export proceeds in kind against the present provision of bringing in cash only.
- Gem and Jewellery EOUs are now being permitted sub-contracting in DTA